

Bored this SUMMER?



Large numbers of high school and college students seek employment at the end of each school year. Some are looking for temporary summer jobs, while others are new graduates trying to begin a career. There is a definite seasonal pattern of increased participation of young adults (ages 16-to-24) in the labor force. From April to July, the relatively large influx of young people into the labor market increases both employment and unemployment for this age group. July is the summertime peak of this annual cycle in youth labor market activity.

The improved job picture in the overall U.S. economy in the past two years has benefited young workers who need temporary summer jobs or have finished their current schooling and are embarking on a career. The youth employment outlook for the spring and summer of 2006 is expected to be the best since 2000.

In 2005, the number of employed young adults between the ages of 16-to-25 in the U.S. increased by almost 2.7 million to 21.7 million from April to July. This 14 percent increase in employed youths compares favorably to the 12.1 percent increase in young adults who were unemployed during this same period. The number of unemployed aged 16 to 24 went from 2.4 million in April to 2.7 million in July, an increase of about 300,000. Because the number of employed youths grew faster than those unemployed, the unemployment rate declined slightly from 11.2 percent in April to 11.0 in July.


The proportion of all young adults – the 36.7 million civilian non-institutional population from 16-to-24 – who are working or are seeking work was 66.6 percent in July 2005. This measure, the “labor force participation rate,” has been trending down since the early 1990s and has not been this low since July 1965.

The breakout of the participation rate by gender shows that 63.6 percent of young women and 69.6 percent of young men were in the labor force.

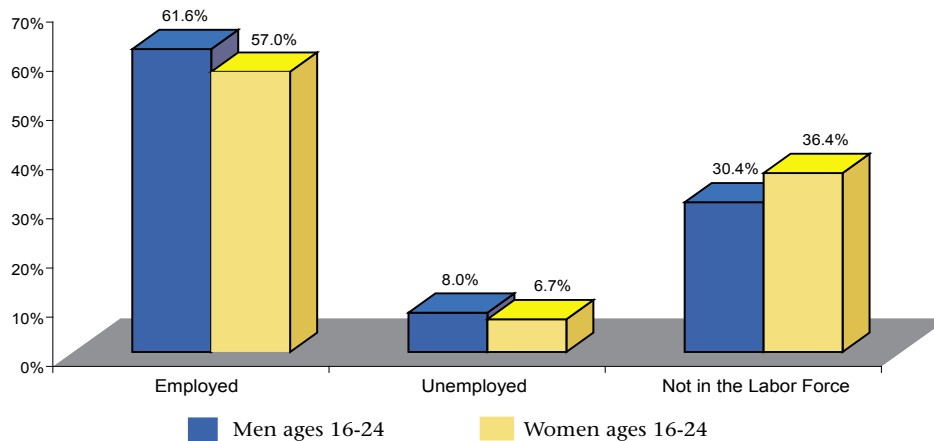
Another labor market measure relates employment to the population. The employment/population

ratio for youth—the proportion of 16-to-24-year-old civilian non-institutional population that was employed—was 59.3 percent in July 2005. The youth employment/population ratio was considerably higher six years ago at 65.2 percent in July 1999.

One important reason for the decline in both the labor force participation rate and the

employment-population ratio is increased summer school enrollment. Over the past decade, school enrollment of 16-to-24-year-olds in July has grown from 16.6 percent in 1995 to 27.8 percent in 2005. Only about half of youth enrolled in school are in the labor force compared to about three-fourths of those not in school. 

U.S. Youth* Employment Status: July 2005
Percent

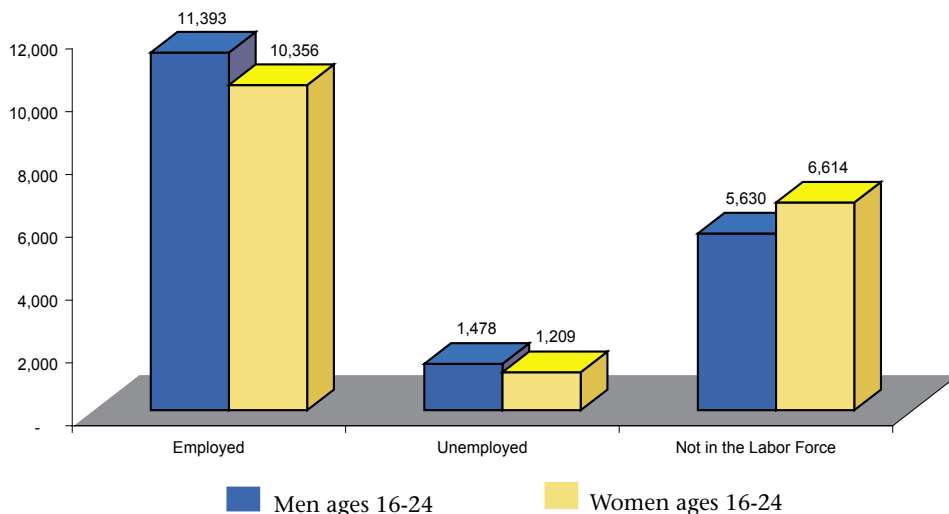


*Civilian noninstitutional population 16- to 24-years of age.

Source: U.S. Bureau of Labor Statistics

“The youth employment outlook for the spring and summer of 2006 is expected to be the best since 2000.”

U.S. Youth* Employment Status: July 2005
(numbers in thousands)



*Civilian noninstitutional population 16- to 24-years of age.

Source: U.S. Bureau of Labor Statistics